

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 9022 – SB 9054

October 28, 2021

SUMMARY OF BILL: Entitles certain individuals to unemployment benefits if they left employment because their employer required them to receive a COVID-19 vaccination, immunization, or injection and such employee refused.

Establishes that any unemployment claimant who refused such vaccination and subsequently left employment is considered to have left in good cause.

Establishes that “misconduct” as applied to employment security laws does not include refusal to receive an employer-mandated COVID-19 vaccination, immunization, or injection.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Department of Labor and Workforce Development (DLWD), “If an employer adds a new requirement for continuing employment that current employees must be vaccinated against COVID-19, and an employee refuses to be vaccinated against COVID-19 or refuses a COVID-19 booster resulting in the employer discharging the employee who refuses to be vaccinated against COVID-19 or refuses a COVID-19 booster, Tennessee’s current position is that the employer has substantially changed the terms of the hiring agreement. Therefore, the employee’s refusal to be vaccinated against COVID-19 and/or receive a booster is not, standing alone, misconduct under T.C.A. § 50-7-303 which would disqualify a claimant from unemployment compensation benefits.”
- The proposed legislation codifies current practice pertaining to employees leaving current employment and would not cause a significant increase in state expenditures from the Unemployment Insurance Trust Fund.
- According to DLWD, “if the employee accepts an offer of new employment, on the condition that the employee must be vaccinated against COVID-19, and an employee refuses to be vaccinated against COVID-19 or refuses a COVID-19 booster resulting in the employer discharging the employee who refuses to be vaccinated against COVID-19 or refuses a COVID-19 booster, the employee’s refusal may be considered, misconduct under T.C.A. § 50-7-303 which would disqualify a claimant from unemployment compensation benefits.”

- Pursuant to Tenn. Code Ann. § 50-7-303(a)(1)(A)(i), a claimant for unemployment benefits is disqualified if the claimant left work voluntarily without good cause.
- The proposed legislation states that the “good cause” disqualification does not apply to a claimant leaving employment for refusal of a COVID-19 vaccine.
- It is unknown if, under the proposed legislation, an employee who accepts an offer of new employment on the condition that the employee be vaccinated against COVID-19, then subsequently refuses the vaccine, would be eligible for unemployment benefits. Such instances, if any, are not estimated to result in any significant increase in state expenditures from the Unemployment Insurance Trust Fund.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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